

State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA Division Director JON M. HUNTSMAN, JR.

GARY R. HERBERT Lieutenant Governor

January 27, 2006

CERTIFIED RETURN RECEIPT 7002 0510 0003 8603 2441

Robert Steele 1055 North 400 East Nephi, Utah 84648

Subject:

Second Request - Five Year Review of Reclamation Surety Estimate, Robert

Steele, Tony Peck, Nephi Gypsum Quarry, M/023/011, Juab County, Utah

Dear Mr. Steele:

On October 27, 2005 the Division requested updated information to assist in the periodic review of the reclamation cost estimate for your mine. To date, the Division has not received a reply addressing our initial request. Periodic adjustment and review of the surety is necessary to allow for cost inflation/deflation associated with reclamation.

The periodic surety review for the Nephi Gypsum Quarry was due in 2005. In order to accurately update the information concerning the reclamation of this site, updated maps showing current surface disturbances and surface facilities are necessary. A failure to furnish this information in a timely manner may lead to an enforcement action, which could result in a temporary suspension of operations.

Please provide this information within the next 30 days, or no later than February 28, 2006. If you are unable to meet this timeframe, contact the Division with justification for requesting additional time. If you have any questions concerning this letter, please contact Doug Jensen at (801) 538-5382.

Sincerely,

Susan M. White

Mining Program Coordinator Minerals Regulatory Program

SMW:DJ:jb

cc: Doug Jensen, DOGM